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MINISTRY OF COMMERCE AND CONSUMER INDUSTRIES

RESOLUTION

New Delhi, the 10th December, 1956

No. 40-Exp(12)/56.—The Forward Markets Commission has examined the question of regulating futures trading in copper, zinc, lead and tin and submitted its report to the Government of India on the establishment of futures market in these commodities. Its recommendations are as follows:—

- (i) Section 15 of the Forward Contracts (Regulation) Act, 1952, be applied to copper, zinc, lead and tin throughout India.
- (ii) The Bombay Metal Exchange Ltd., Bombay, be granted recognition under section 6 of the Forward Contracts (Regulation) Act, 1952 for conducting futures trading in copper, zinc, lead and tin throughout India for a period of three years.
- (iii) The recognition to the Bombay Metal Exchange Ltd., Bombay, should be conditional upon its previously carrying out the modifications in its Articles of Association and Bye laws on the lines suggested by the Commission.

2. The Government of India have carefully considered the Commission's report and have decided to accept the recommendations of the Commission and give effect to them for a period of three years in the first instance. Recognition to the Bombay Metal Exchange Ltd., Bombay will be granted as soon as it has carried out the modifications referred to in para 1 (iii) above. Government propose to review the position at the end of one year from the date of the grant of recognition in the light of the working of the forward market and other relevant developments.

Ordered that a copy of this Resolution be communicated to all concerned and that it be published in the Gazette of India.

S. RANGANATHAN, Secy.

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